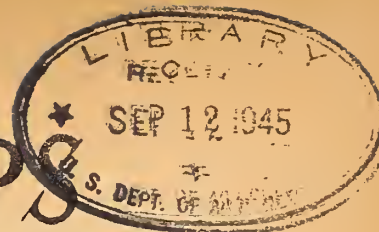


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LATE FOREIGN DEVELOPMENTS

ARGENTINA: The third official estimate of 1942-43 grain production shows very little change from the preceding estimates for wheat, flaxseed, barley, and rye. The oats production is, however, about 8 million bushels less than was estimated previously. The third estimate with the final 1941-42 production in parentheses is as follows, in thousand bushels: Wheat 235,157 (224,134), flaxseed 60,036 (62,989), oats 39,958 (31,002), barley 16,075 (16,994), and rye 5,944 (5,511). Wheat seeding is reported to be progressing actively, with soil conditions mostly favorable. Trade sources now indicate the probability of a fair acreage increase.

BULGARIA: Crop conditions are now reported to be very favorable, and crops are said to have recovered from deterioration resulting from severe moisture deficiencies in April.

UNION OF SOUTH AFRICA: The first estimate of the 1942-43 grain production places wheat at 18,524,000 bushels, compared with the preceding crop of 15,200,000 bushels and the average of 10,230,000 bushels for the 10 years ending 1933-34. The corn crop is, at 78,764,000 bushels, about 20,000,000 bushels more than the poor 1941-42 outturn, but all of the crop is said to be needed to meet domestic requirements.

CANADA: Though the season is backward, grain seeding is now progressing rapidly. Wheat seeding is reported to be about completed in Manitoba, 90 percent has been accomplished in Saskatchewan, and from 75 to 95 percent in Alberta. All three Provinces report considerable reduction in wheat acreage with a corresponding increase in feed grains and oil-bearing seeds.

* * * * *

G R A I N S

AUSTRALIAN BARLEY SUPPLIES ADEQUATE;
FODDER CONSERVATION PLAN PROPOSED . . .

Australian barley production in 1942-43, at the current estimate of 10,920,000 bushels, is above average but considerably below the large 1941-42 crop of 16,956,000 bushels. A reduction in the acreage of approximately one-third accounts for the sharp drop in production, as per-acre yields are very slightly below those of the preceding year.

Large supplies on hand from the 1941-42 crop discouraged seeding. Stocks at the end of October 1942 were high at 5,900,000 bushels and would make the total supply for the present season about the same as that of last year, when the large crop was considerably above domestic requirements, and export possibilities were extremely limited. Present supplies are said to include sufficient first-grade barley to meet Australia's 1943 malting requirements. Consumption for all purposes is estimated at around 6,700,000 bushels.

The low cash advances made on the past two crops, plus shortages of superphosphates and manpower were expected to further curtail seedings for the 1943-44 season unless some encouragement were given growers. Advances announced in January by the Australian Barley Board for the current year ranged from 1 shilling 11 pence (31 cents) for two-row No. 1 grade, less freight, to 1 shilling 6 pence (24 cents) for feed barley, while for corresponding grades of six-row type there was a reduction of 4 pence (5 cents) per bushel.

A conference was called late in February to discuss problems associated with the production and consumption of barley. Members of the Australian Barley Board and other Government officials attending agreed that the main factor reducing acreage was the low advances made on the past two crops.

Recommendations submitted to the Commonwealth Government included immediate action to increase advances made on barley of the No. 4 pool. The proposed increases are substantially above the present rates and would set the advance for No. 1 grade, two-row barley at 3 shillings 6 pence (56 cents) per bushel, or 25 cents higher than the existing rate, and the lowest rate set at 2 shillings 2 pence (35 cents) per bushel on six-row feeding barley.

It was further recommended that the functions of the Wheat Industry Stabilization Board should be expanded to include the regulation of barley. This is proposed through an acreage allotment program, with acreage based on the average harvested acreage during the three seasons, 1939-40 to 1941-42.

Production in South Australia and Victoria, where from 90 to 96 percent of the crop is grown, would, under proposals, be controlled to produce around 8 million bushels, which would be expected to allow for delivery of around 3 million bushels to the Board. These measures were said to be considered essential to the stabilization of the barley industry.

No estimate of either acreage or production of oats is available at present. Oats usually rank next to wheat in importance among Australia's grains, and the crop is largely concentrated in Victoria, New South Wales, Western Australia, and South Australia. In addition to that grown for grain, a considerable acreage is planted for hay.

Estimates for corn are also unavailable. Queensland and New South Wales produce about 10 percent of the total crop. Heavy yields are said to be expected from the summer crop in Queensland, but drought conditions in New South Wales have caused deterioration in that State's formerly good prospects.

Taking into account that reserves of forage for the coming year would be inadequate if unsatisfactory weather conditions should develop, the Government has under consideration a plan to set aside a definite area for the production of wheaten hay. Payment for this area would be on the same basis as for that allowed to mature for grain and would thus remove the incentive to divert forage wheat acreage to grain.

EGYPTIAN WHEAT AND BARLEY PROSPECTS APPEAR ABOUT AVERAGE . . .

Prospects for the 1943 wheat and barley crops, which are now being harvested, are about average, according to information received in the Office of Foreign Agricultural Relations. A wide variation in wheat condition was reported, however, as a result of seedings extending over a longer period than usual last fall, and some delay in irrigation activities this spring. Wheat worms are said to have caused considerable damage among new seedings, and it became necessary to reseed many fields once, and in some areas twice, which carried the seeding period into January. The Government's ruling that 60 percent of the cultivated land should be planted to these two grains appears to have been fulfilled.

At last report, there was said to be a marked contrast between the condition of early and late seedings, and between fertilized fields and those not fertilized. Early sowings constituted only about 15 percent of the area and were of strong, healthy growth, while late-sown grain was in less favorable condition. Late-seeded wheat amounted to about 15 percent with intermediate fields accounting for about 70 percent of the total.

* * * * *

V E G E T A B L E O I L S A N D O I L S E E D S

CHILE CONTINUES TO EXPAND SUNFLOWER-SEED ACREAGE . . .

According to an official estimate, the area sown to sunflowers in Chile in 1942-43 is placed at 24,400 acres, compared with 17,600 acres in 1941-42. While this season's acreage was only 39 percent higher, the yield per acre was much larger, and production is forecast at 28,350,000 pounds, representing an increase of 74 percent over the 1942 harvest.

CHILE: Area, production, and yield of sunflower seed,
1939-40 to 1942-43

Year	Area	Production	Yield per acre
	Acres	1,000 pounds	Pounds
1939-40	a/	3,584	-
1940-41	8,414	8,566	1,018
1941-42	17,571	16,328	929
1942-43 b/	24,417	28,353	1,161

Compiled from consular sources. a/Not available. b/Preliminary.

Prior to 1940, when the first results of the Government's interest in promoting the cultivation of oleaginous plants began to make itself felt, there were practically no domestically produced oilseeds obtainable for crushing. Imported seeds were used almost exclusively by oil mills. Sunflower-seed production has expanded rapidly during the past few years, however, and the oil from this crop has become very popular. Consumption of sunflower seed has risen from 36,000,000 pounds in 1940 to 62,000,000 pounds in 1942. Of the latter figure, domestic production accounted for 46 percent compared with 10 percent in 1940.

CHILE: Area, production, and yield of sunflower seed,
by Provinces, 1942-43

Province	Area	Production	Yield per acre
	Acres	1,000 pounds	Pounds
Atacama	7	5	756
Coquimbo	296	253	854
Valparaiso	163	204	1,250
Santiago	1,569	1,610	1,026
O'Higgins	11,053	12,819	1,160
Colchagua	2,224	2,693	1,211
Curicó	1,987	2,341	1,178
Talca	1,658	2,367	1,428
Linares	5,342	5,849	1,095
Nuble	198	212	1,069
Total	24,497	28,353	1,157

American Embassy, Santiago.

* * * * *

C O T T O N - O T H E R F I B E R SDISTRIBUTION OF 1942 COTTON CROP
IN SPAIN . . .

The 1942 crop of cotton in Spain is reported at 20,400 bales of 478 pounds. It is composed almost entirely of middling and strict middling, 15/16 inch staple. The distribution by five Government-designated zones is shown in the following table. Zones 6 and 7 were established in January 1943 and are not represented in the 1942 crop.

SPAIN: Cotton production, by zones, 1942
(Bales of 478 pounds)

Zone	Province	Production
		Bales
1	Cádiz and southeastern Seville	4,570
2	Huelva and central and western Seville	7,000
3	Córdoba and parts of Badajoz and Cáceres	8,520
4	Avila and parts of Badajoz and Cáceres	360
5	Spanish Morocco	a/
	Total for all zones	20,450
Compiled from consular reports. a/ Negligible		

HAITIAN SISAL EXPORTS
CONTINUE TO RISE . . .

Exports of sisal from Haiti during the first quarter of 1943 were 3,650 tons of 2,240 pounds, compared with 2,600 tons during the preceding quarter and 2,650 during the first quarter of last year. All of the sisal exported during the first 3 months of this year was shipped to the United States, except about 95 tons, which were sent to the Dominican Republic during March. February, with a total of 1,780 tons, was the month of heaviest shipments. Sisal was moved slowly during December and January, due to lack of available shipping space, but present conditions are more favorable, and stocks are moving from the ports.

Prices of sisal remain high, with a monthly average of about 8.6 cents per pound, compared with 6.4 cents a year ago and an annual average of 4.8 cents for the fiscal year beginning October 1, 1940.

Sisal production is encouraged by the Government. A ban has been placed on the exportation of several important Haitian foods, with the purpose of conserving within the country sufficient supplies for laborers in the sisal and rubber industries.

HAITI: Exports of sisal, by countries, January-March, 1943,
with comparisons

Country of destination	Quantity						Value		
	Jan.-Mar. 1942	Oct.-Dec. 1942	Jan.-Mar. 1943	Jan.-Mar. 1942	Oct.-Dec. 1942	Jan.-Mar. 1943	Jan.-Mar. 1942	Oct.-Dec. 1942	Jan.-Mar. 1943
	:Long tons:	:Long tons:	:Long tons:	:Dollars	:Dollars	:Dollars	:Dollars	:Dollars	:Dollars
United States:	2,600	2,360	3,560	354,000	a/				671,900
Dominican Republic ...:	0	0	90	0	0	18,900			
Argentina:	0	240	0	0	a/	0			0
Canada:	50	0	0	9,200	0	0			0
Total:	2,650	2,600	3,650	363,200	480,800	690,800			

Compiled from consular reports. a/ Not available.

Standardized grading of sisal was established by an executive order early in April. The grades of all processed sisal for export must conform to general standardizations that apply to United States import requirements. The establishment of such qualifications for grades should facilitate sales to the United States and help to keep sisal on a profitable basis for those in the industry. All fiber when classified must be clean and dry. Grades A and X must consist of fibers more than 36 inches in length, with the color white or light for grade A and only a few yellow or brown stains allowed for grade X. Grades B and Y apply to fibers 24 to 36 inches in length, with colors the same, respectively, as for grades A and X. Grade S applies to fibers that are 24 inches or more in length, of a greyish-white color, and slightly pulpy. Fiber waste, or tow, is classified in T grades according to depth of color. The white tow is graded as T, the pale cream-colored fiber as T-3, and the deeper cream as T-4.

PRICES INCREASED FOR FLAX CROP IN IRELAND . . .

Government-fixed prices for the 1943 flax crop in Ireland will range from approximately 36 to 43 cents per pound, for retted, scutched flax, together with a bonus of slightly over 2 cents per pound. The price for the preceding crop had been fixed at 31 to 38 cents per pound, including the bonus. Farmers are urged to grow flax fiber to help meet the demand of the British linen industry, which formerly was supplied principally from European countries. The entire 1943 crop is expected to be exported to the United Kingdom in exchange for sufficient sisal and binder twine to meet the need in Ireland for such cordage materials.

The Department of Agriculture has set up a Flax Developing Board for the purpose of encouraging flax growing. Its duties will include the training of workers and the making of grants toward the cost of erecting, extending, repairing, or renovating scutching mills and flax dams.

* * * * *

L I V E S T O C K A N D A N I M A L P R O D U C T S

UPWARD TREND IN PACKING HOUSE SLAUGHTER IN RIO GRANDE DO SUL CHECKED BY DROUGHT . . .

Preliminary estimates indicate that cattle slaughterings in public abattoirs in the State of Rio Grande do Sul, Brazil, during 1944 will continue at levels substantially below those of the pre-war years for the production of charque (dried beef), while, conversely, those for the production of beef for export will continue the increase to higher levels. This trend apparently has been interrupted in 1943 by drought and the relatively low prices being paid by packing plants for cattle. Slaughter in packing plants is chiefly for export, whereas the production of charque, which constitutes an important item of local diet, is for shipment to other Brazilian States.

The State of Rio Grande do Sul, and the São Paulo - Rio de Janeiro area, furnish practically all the meat exported from Brazil. Latest estimates indicate that approximately 55 percent of the total quantity of beef exported was provided by Rio Grande do Sul. Beef exports from this State in 1943 are estimated at about 90 million pounds, a decrease of 20 percent compared with 1942. In 1936 the State of Rio Grande do Sul furnished about 511 million pounds of the estimated 1,769 million pounds produced in Brazil, or 29 percent.

Recent reports indicate that total slaughter in public abattoirs in 1943 will be the smallest since the war began, as a result of drought conditions. The decrease is particularly noticeable in the small freezing-company kill. Livestock men have protested against the low prices paid by packing companies for cattle, and partly for this reason, as well as the effects of the drought, it is estimated that fewer cattle will be acquired by the packing plants, i.e., only 475,000 head, compared with 592,000 in 1942, a decrease of 20 percent.

RIO GRANDE DO SUL: Forecast of slaughter in public slaughter houses, 1944, with comparisons

Season beginning	: Slaughter for fresh meat : 1,000 head	: In packing plants : 1,000 head	: For dried beef : 1,000 head	: Total (excluding private) : 1,000 head
1938 a/	: 297	: 286	: 507	: 1,090
1939 a/	: 283	: 345	: 512	: 1,140
1940 a/	: 294	: 527	: 327	: 1,148
1941 b/	: 295	: 433	: 296	: 1,024
1942 b/	: 295	: 592	: 211	: 1,098
1943 b/	: 236	: 475	: 240	: 951
1944 b/	: 295	: 550	: 300	: 1,145
	: :	: :	: :	: :

a/ Official statistics.

b/ Estimates.

Charqueadas (dried-beef processing plants) have been paying higher prices than those paid by freezing companies, and it is believed that if the rains continue and the cooperatives succeed in obtaining the necessary salt, either the freezing companies will have to increase prices or they will not be able to obtain a sufficient number of animals to fill their foreign contracts.

Heavy rain has now fallen in Uruguaiana, an important range and livestock area in the extreme southwestern corner of the State, where severe drought conditions prevailed for some time. Livestock deaths from drought in this area are reported to have been the equivalent of 3 or 4 percent of the total number, estimated at between 300,000 and 400,000.

The dry weather in Rio Grande do Sul as a whole this season has generally been reflected in lower weights than usual. Cattle owners have also been reluctant to sell unfinished cattle.

AUSTRALIA SCRAPS ORIGINALLY PROPOSED
FIXED PRICES FOR PORK . . .

The original schedule of fixed pork prices ^{1/} announced by the Australian Meat Industry Commission on December 16, 1942, as going into effect in February 1943, was scrapped by the Federal Senate before it became effective. In its place the Government on March 20, 1943, issued new regulations, which provided for the control of the meat industry by the appointment of a Controller of Meat Supplies and the setting up of a Meat Advisory Committee. Under the new plan, pork prices are expected to be higher than those fixed in December.

The Australian Pig Industry Council is asking for a price of 8.50 (11.43 cents) a pound for best quality pork. Under the old schedule the price of first quality hogs (weighing under 100 pounds, dressed weight) was 8.25 pence (11.10 cents) a pound.

In the States of New South Wales and Queensland, where feed prices are higher because of transportation costs from the grain-producing areas in Victoria and South Australia, producers generally protested against the schedule of prices announced in December. They felt that the price should not be less than 9.50 pence (12.78 cents) a pound for any grade. The average top market price of prime medium-weight pork-type hogs at Flemington sale yards, Sydney, in March 1943 was 13.8 cents a pound, dressed weight, compared with 11.7 cents in the same month of 1942.

It is expected that prices of poorer quality wheat produced in 1942-43 will soon be reduced. This would make the relationship between

^{1/} See Foreign Crops and Markets, April 5, 1943.

hog and feed prices more favorable and should encourage production. Higher hog prices have already caused an expansion in breeding operations, and pork production is expected to be larger by the end of 1943, although the scarcity of labor has hampered the effort somewhat. At the end of 1942 an outbreak of hog fever in Western Australia and New South Wales caused 23,000 hogs to be destroyed. The disease now appears to have been checked.

AUSTRALIA: Monthly average top price per 100 pounds, dressed weight, of hogs at Flemington yards, Sydney,
July 1940 - March 1943

Month	1940-41		1941-42		1942-43	
	Medium- weight porkers:	Medium- weight baconers:	Medium- weight porkers:	Medium- weight baconers:	Medium- weight porkers:	Medium- weight baconers:
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
	:	:	:	:	:	:
July	10.43	9.47	10.14	8.70	14.73	11.72
August	11.23	9.91	10.37	9.04	15.74	13.06
September	11.05	10.38	10.04	9.71	16.41	13.73
October	11.71	10.71	11.38	10.04	15.40	13.73
November	10.72	10.38	9.33	10.04	16.41	13.73
December	12.06	10.38	10.38	9.71	16.81	13.11
January	11.39	10.05	9.33	10.05	14.12	12.80
February	10.37	9.37	10.72	11.39	13.11	12.40
March	10.04	9.37	11.72	10.72	13.79	13.40
April	8.35	7.02	13.40	11.72	-	-
May	8.70	7.36	13.40	11.39	-	-
June	9.70	7.70	14.40	11.72	-	-
	:	:	:	:	:	:
	:	:	:	:	:	:

Compiled from official sources.

Australian pork production will fall short of satisfying estimated requirements in 1942-43 by approximately 53 million pounds, according to preliminary estimates. As the provisioning of the armed forces and of the British Ministry of Food is considered of prime necessity, it appears that civilian consumption of pork in Australia may be greatly restricted.

Australia's per capita consumption of meat in normal times is unusually large, exceeding that of most other countries with the exception of the surplus meat-producing countries of South America. The bulk of the meat consumed consists of beef, mutton, and lamb. Normal consumption of pork is relatively small.

Total consumption of pork in Australia in 1938-39, the last pre-war year, was 125 million pounds, or 8 percent of total meat consumption. In 1939-40, consumption declined to 119 million pounds as a result of an increase in exports to the British Ministry of Food. In 1940-41, production was increased, and although exports to the United Kingdom and the armed forces in the Middle East were larger, there apparently remained a slightly larger quantity of pork for civilian consumption. In 1941-42, the situation was complicated by the war in the Pacific and the necessity of supplying the American as well as the Australian forces in and near Australia.

AUSTRALIA: Production and distribution of pork,
1934-35 to 1942-43

		Requirements				
July - June	Production	Consumption	Armed forces	British Ministry of Food	Surplus (+) or deficit (-)	
		(civilian)	(Australian and Allied)			
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	
1934-35	149	131	-	-	+18	
1935-36	162	136	-	-	+26	
1936-37	168	139	-	-	+29	
1937-38	156	120	-	-	+36	
1938-39	157	125	-	-	+32	
Average	158	130	-	-	+28	
1939-40	172	119	-	-	+57	
1940-41 <u>a/</u>	204	122		-	+82	
1941-42 <u>a/</u>	230	130		-	+140	
1942-43 <u>a/</u>						
Pork	-	50	8	11	-	
Bacon	-	72	54	-	-	
Canned	-	-	51	11	-	
Total	199	b/ 122	113	22	-58	

Compiled from official sources.

a/ Estimates.

b/ Average for 3 years preceding the war. Consumption evidently was materially below this estimate.

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